# § 8254. Establishment and use of life cycle cost methods and procedures

# (a) Establishment of life cycle cost methods and procedures

The Secretary, in consultation with the Director of the Office of Management and Budget, the Secretary of Defense, the Director of the National Institute of Standards and Technology, and the Administrator of the General Services Administration, shall—

- (1) establish practical and effective present value methods for estimating and comparing life cycle costs for Federal buildings, using the sum of all capital and operating expenses associated with the energy system of the building involved over the expected life of such system or during a period of 40 years, whichever is shorter, and using average fuel costs and a discount rate determined by the Secretary; and
- (2) develop and prescribe the procedures to be followed in applying and implementing the methods so established.

## (b) Use of life cycle cost methods and procedures

- (1) The design of new Federal buildings, and the application of energy conservation measures to existing Federal buildings, shall be made using life cycle cost methods and procedures established under subsection (a).
- (2) In leasing buildings for its own use or that of another agency, each agency shall, after January 1, 1994, fully consider the efficiency of all potential building space at the time of renewing or entering into a new lease.

### (c) Use in non-Federal structures

The Secretary shall make available information to the public on the use of life cycle cost methods in the construction of buildings, structures, and facilities in all segments of the economy.

(Pub. L. 95-619, title V, §544, Nov. 9, 1978, 92 Stat. 3277; Pub. L. 100-615, §2(a), Nov. 5, 1988, 102 Stat. 3186; Pub. L. 102-486, title I, §152(d), Oct. 24, 1992, 106 Stat. 2845; Pub. L. 110-140, title IV, §441, Dec. 19, 2007, 121 Stat. 1623.)

## **Editorial Notes**

## AMENDMENTS

2007—Subsec. (a)(1). Pub. L. 110–140 substituted "40" for "25".

1992—Subsec. (a). Pub. L. 102–486, §152(d)(1), substituted "National Institute of Standards and Technology" for "National Bureau of Standards".

Subsec. (b)(2). Pub. L. 102–486, §152(d)(2), substituted "agency shall, after January 1, 1994, fully consider the efficiency of all potential building space at the time of renewing or entering into a new lease." for "agency shall give appropriate preference to buildings which minimize life cycle costs."

1988—Pub. L. 100–615 amended section generally, substituting provisions relating to establishment and use of life cycle cost methods and procedures for provisions defining terms (1) Secretary, (2) life cycle cost, (3) preliminary energy audit, (4) energy survey, (5) Federal building, (6) construction, and (7) energy performance target.

## Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110-140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub.

L. 110-140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

## § 8255. Budget treatment for energy conservation

The President shall transmit to the Congress, along with each budget that is submitted to the Congress under section 1105 of title 31, a statement of the amount of appropriations requested in such budget, if any, on an individual agency basis, for—

- (1) electric and other energy costs to be incurred in operating and maintaining agency facilities; and
- (2) compliance with the provisions of this part, the Energy Policy and Conservation Act (42 U.S.C. 6201 et seq.), and all applicable Executive orders, including Executive Order 12003 (42 U.S.C. 6201 note) and Executive Order 12759 (56 Fed. Reg. 16257).

(Pub. L. 95-619, title V, §545, Nov. 9, 1978, 92 Stat. 3278; Pub. L. 96-294, title IV, §405, June 30, 1980, 94 Stat. 716; Pub. L. 99-509, title III, §3301, Oct. 21, 1986, 100 Stat. 1890; Pub. L. 100-615, §2(a), Nov. 5, 1988, 102 Stat. 3186; Pub. L. 102-486, title I, §152(e), Oct. 24, 1992, 106 Stat. 2846.)

### **Editorial Notes**

#### References in Text

The Energy Policy and Conservation Act, referred to in par. (2), is Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 871, as amended, which is classified principally to chapter 77 (§6201 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 6201 of this title and Tables.

Executive Order 12003, referred to in par. (2), is Ex. Ord. No. 12003, July 20, 1977, 42 F.R. 37523 which amended Ex. Ord. No. 11912, April 13, 1976, 41 F.R. 15825, set out as a note under section 6201 of this title.

Executive Order 12759, referred to in par. (2), is Ex. Ord. No. 12759, April 17, 1991, 56 F.R. 16257, as amended, which was set out as a note under section 6201 of this title, prior to revocation by Ex. Ord. No. 13123, §604, June 3, 1999, 64 F.R. 30859, formerly set out as a note under section 8251 of this title.

## AMENDMENTS

1992—Pub. L. 102–486 amended section generally. Prior to amendment, section read as follows: "Each agency, in support of the President's annual budget request to the Congress, shall specifically set forth and identify funds requested for energy conservation measures."

1988—Pub. L. 100–615 amended section generally, substituting provision relating to budget treatment for energy conservation measures for provisions relating to establishment and use of life cycle cost methods, use of life cycle costs, and use in non-Federal structures.

1986—Subsec. (a)(2). Pub. L. 99-509 substituted "average" for "marginal".

1980—Subsec. (a)(1). Pub. L. 96-294, which directed amendment of par. (1) by inserting provisions setting forth criteria for establishing life-cycle costs for Federal buildings before the period at end, was executed to par. (2) as the probable intent of Congress because par. (1) does not contain a period.

## §8256. Incentives for agencies

## (a) Contracts

(1) Each agency shall establish a program of incentives for conserving, and otherwise making more efficient use of, energy as a result of entering into contracts under subchapter VII of this chapter.